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REPORT
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HOMELESSNESS PREVENTION AND COMMUNITY REVITALIZATION ACT OF 1990

AUGUST 30, 1990.—Ordered to be printed

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Mr. KENNEDY, from the Committee on Labor and Human Resources, submitted the following

REPORT

[To accompany S. 2600]

The Committee on Labor and Human Resources, to which was referred the bill (S. 2600) the Homelessness Prevention and Community Revitalization Act of 1990, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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I. INTRODUCTION

On June 27, 1990, the Committee on Labor and Human Resources ordered favorably reported S. 2600 with an amendment in the nature of a substitute to the full Senate. S. 2600 was originally introduced on May 9, 1990 by Senator Edward M. Kennedy and 20 cosponsors.

39-010

S543-24.

The legislation may be cited as the Homelessness Prevention and Community Revitalization Act of 1990. S. 2600 amends the Public Health Service Act, the Stewart B. McKinney Homeless Assistance Act, and the Community Economic Development Act to create several new grant programs aimed at preventing and reducing homelessness by providing residence based social services to certain high risk populations.

II. Background and Need for the Legislation

The Homelessness Prevention and Community Revitalization Act of 1990 is intended to increase Federal assistance and leadership in the national effort to reduce homelessness. The Federal response to homelessness, thus far, has taken the form of the Stewart B. McKinney Homeless Assistance Act (Public Law 100–77), enacted on July 22, 1987.

The McKinney Act, which was reauthorized by Public Law 100–628 on November 7, 1988 and which is currently undergoing a second reauthorization, has focused almost exclusively on emergency, street and shelter based responses to homelessness. The Act provides funding for programs ranging from emergency shelter to primary health services.

The McKinney Homeless Assistance Act authorizes 17 different programs through 6 different Federal agencies. In addition, the McKinney Act establishes the Interagency Council on the Homeless, consisting of representatives from most Federal agencies and assigned to prepare an annual report on homelessness and on the activities of the Council to assist the homeless population.

Nine of the McKinney programs fall within the jurisdiction of the Senate Committee on Labor and Human Resources. These programs, outlined in figure 1., include funding for health, mental health, drug and alcohol abuse, adult literacy, education for children, job training and case management delivered through Community Action Agencies. These programs, while effective and essential, constitute an emergency response to the issue of homelessness. All of these programs are focused on providing services to homeless individuals on the street or in shelters, who are ordinarily without income or permanent shelter and often have nowhere else to turn for help. These programs constitute an emergency approach to homelessness and provide little long-term or preventive measures in response to the problem of homelessness. The Congress, the Administration and the public have recognized the urgent need to move beyond emergency stop-gap measures, towards a long-term solution to homelessness.

THE MC KINNEY HOMELESS ASSISTANCE ACT

(McKinney Act programs within the jurisdiction of the Committee on Labor and Human Resources.)

The Department of Education administers: Adult Education for the Homeless; Education for Homeless Children and Youth—States Grants Programs; and Exemplary Grants Program for state and local education agencies.

The Department of Health and Human Services administers: the Health Care for the Homeless Grant Program; the Mental Health

Block Grant Program and the Community Mental Health Services Demonstration Projects, which are targeted for homeless individuals who are mentally ill; the Community Demonstration Grant Projects for Alcohol and Drug Abuse Treatment of Homeless Individuals; the Emergency Community Services Homeless Grant Program; and the AFDC Transitional Housing Demonstration Project (McKinney Act Amendments of 1988).

The Department of Labor administers the Job Training for the Homeless Demonstration Project and the Homeless Veterans Reintegration Project.

THE NUMBER OF HOMELESS IN AMERICA

Efforts to quantify the number of homeless have resulted in widely divergent results. Estimates of the number of homeless in the United States range from 500,000 to several million. Difficulties in enumerating the homeless result from various factors. First, the definition of the term "homeless" has varied from study to study. Some studies count only those individuals actually living without any shelter; others include those inhabiting emergency shelter facilities and transitional shelters; others include those residing in welfare motels; others include individuals residing in substandard housing; and still others include individuals and families which are "doubled up" or residing with friends and relatives. Another factor is that counts tend to concentrate on snapshot estimates of the number of homeless at one given time, which may be considerably smaller than the number of individuals who are homeless for all or part of each year. Efforts at enumeration, including the current effort underway by the Census Bureau, continue to produce divergent and controversial results. Nevertheless, virtually every study indicates that the number of homeless in America is on the rise.

THE CHARACTERISTICS AND CAUSES OF HOMELESSNESS

Despite disagreement about the number of homeless, much has been learned about the characteristics of the homeless, and the special needs of the various subpopulations among the homeless. The focus has shifted from absolute numbers of homeless to changes in the homeless population. Observers maintain that homelessness is increasing and that the stereotypical "bag lady" and "skid row alcoholic" have been joined by families with children, single mothers, the aged, the mentally ill, substance abusers, persons with AIDS, and runaway and "throw-away" youth. Responding to The United States Conference of Mayors survey on homelessness, cities across America cited a number of factors which contribute to homelessness. They include: lack of social and economic support networks, unemployment, domestic violence and/or family disintegration, alcohol and drug dependency, lack of education, lack of job skills, serious illness and AIDS related illnesses.

HEARINGS BY THE SENATE LABOR AND HUMAN RESOURCES COMMITTEE

The Senate Committee on Labor and Human Resources held two hearings on homelessness. The first, "Homelessness: An American Tragedy," was held on September 29, 1990. Witnesses testified on the health and human service needs of the homeless. Mr. Scott

Crohn of the Damien Ministries in Washington, DC lost his job and his home because he was diagnosed with AIDS. Ms. Renee Johnson testified of her experiences with mental illness and the services she received from the Green Door, a community based supportive service agency for the mentally ill. The panel also included Ms. Judith Johnson, Executive Director of the Green Door, Ms. Lisa Mihaly of the Children's Defense Fund and Ms. Freda Mitchem of the Health Care for the Homeless Program. All of the witnesses stressed that the service needs of the homeless are extensive and largely unmet. Ms. Mitchem stated that "We need more affordable, low-cost, transitional and permanent housing, but with the social and health services attached to them, to allow people to make a real break from homelessness."

In response to this testimony and the worsening national problem of homelessness, Senator Kennedy and others introduced S. 2600, the Homelessness Prevention and Community Revitalization Act of 1990, on May 9, 1990. This legislation would provide supportive, on-site services in or near low-income housing in order to create a safe environment in low-income housing and neighborhoods, to reduce homelessness, and to prevent new homelessness.

On May 9, 1990 the Committee conducted a hearing on S. 2600. Witnesses at the hearing included Mr. Robin Williams and Ms. Whoopi Goldberg both of Comic Relief, Inc.; Ms. Connie Perez, Outreach Worker for the Homeless Children's Hope Program; Mrs. Stewart B. McKinney, Chairman of the Stewart B. McKinney Foundation; Ms. Judy Langford Carter, Executive Director of The Ounce of Prevention Fund; and Dr. Robert Saywell, Associate Professor of Public and Environmental Affairs at the Indiana University School of Public and Environmental Affairs.

Testimony provided on behalf of Mr. Billy Crystal, also of Comic Relief, stated that "In our efforts through Comic Relief to increase awareness about homelessness and to provide support to those individuals and organizations working to assist the homeless, it has become clear to use that more attention must be paid to long-term sollutions to the problem." He added that many "are homeless due to a personal crisis which required an otlay of cash that they simply did not have. They are homeless because of an illness, or the lack of affordable day care, or the death of a family wage earner or the loss of employment—situations and circumstances beyond their control." Mr. Crystal's testimony stated that "We must provide comprehensive social services in order to help homeless people live dignified productive lives."

Ms. Connie Perez in her testimony spoke of her experience as a homeless single mother with seven children and as an outreach worker for the homeless. Ms. Perez stated that "I can relate to this family [a homeless family of 12] because of my previous situation and can understand and see the emotional damage to the children and parents." She added that, "continuous, as well as increased supportive services such as counseling, drug and alcohol programs, early childhood education for parents, parenting skills, case management, supportive groups, financial budgeting and a carefully structured program of activities for our youth and elderly, that this bill will provide, are desperately needed. This is the beginning of

America repairing those cracks that lead us all back to the streets and eventually to the homeless shelters."

Mrs. McKinney testified that, "homelessness is the stumbling point for humane and economic health care delivery. Without a stable, safe, and secure residence persons living with HIV infection are unable to obtain proper care outside hospitals."

Ms. Carter added that "our experience with the family support center concept combined with the use of family advocates has been a good one over time. The diverse and flexibile services provided as well as the personal relationships established with families have been effective in stabilizing and improving family life . . . The second conclusion we can draw from our experience at this point is that the precariousness of the housing arrangements for many families is alarming, particularly for teen parents. Frequent, disruptive moves are very common, which makes establishing ongoing, productive, relationships or consistent services for families very difficult . . . Shelters, ironically, are the only place many families can get even the minimal services they need. And shelters, by definition, must provide only time-limited services. Expanded family support centers with an acknowledged mission of stabilizing families and strong linkages with public housing authorities as envisioned in Title One (of S. 2600) should help alleviate this problem."

All of the witnesses at the May 9, 1990 hearing spoke in support of and endorsed S. 2600, the Homelessness Prevention and Community Revitalization Act of 1990.

III. Committee Views

The Committee is extremely concerned about the tragic and worsening problem of homelessness in America. The Committee recognizes that an important component of any strategy to address homelessness will necessarily involve housing. Nevertheless, the Committee is convinced that housing alone will never fully address the needs of the nation's homeless. The Committee intends that programs authorized by this Act provide a comprehensive service strategy which, in concert with the McKinney Emergency Homeless Assistance act and the nation's housing programs, will prevent and reduce homelessness.

The Homelessness Prevention and Community Revitalization Act of 1990 is composed of seven targeted and coordinated grant programs which address the range of needs of the homeless or potentially homeless population. Each of the titles targets a special needs population and provides for a comprehensive service strategy crafted to respond to the unique needs of these populations. The populations targeted by the Act have been identified by the Committee as representative of a significant portion of the homeless, or potentially homeless, citizens of the nation.

TITLE I: FAMILY SUPPORT CENTERS

The number of homeless families has doubled in the past decade. The fastest growing group among the homeless consists of families with children. The Committee is deeply concerned by this tragic and potentially disastrous phenomenon. Ms. Connie Perez, in her

testimony before the Senate Labor and Human Resources Committee on May 9, 1990, testified that in the present system homelsss families must often travel across cities for the services that they require, i.e. child care, counseling, health services, job training, and job counseling. In her report, "Service-Enriched Housing for Homeless Families," Dr. Cindy Friedmutter explains that, even "once housed, many families will simply be too worn out to seek health care, child care, and other services unless they are geographically accessible and affordable." Dr. Friedmutter also stresses that families must receive some direct assistance such as case management in accessing these programs.

Many families could be prevented from becoming homeless by early intervention. A common probelm cited by experts and homeless persons is a lack of a support network. For various reasons, homeless families and individuals often do not have a strong support network of friends and family. Dr. Ellen L. Bassuk, in a study of homeless mothers in Massachusetts, found that one-fourth of the homeless mothers interviewed in the study were unable to name even one person to whom they can turn during times of stress. Overall, one-fourth named their minor child. Further, almost three-quarters of the mothers were unable to name three supports. Dr. Bassuk adds that if the interview had included questions about the quality of these relationships, the percentages of mothers unable to list such relationships would have been even greater.

Families in emergency shelters and "Welfare hotels" also lack basic necessities. The family without adequate shelter, faces considerable barriers in their attempts to meet the challenges of everyday life such as grocery shopping, working, eating well, homework, or visiting the doctor or dentist for preventative checkups. Moreover many homeless or near homeless families are also plagued by family violence, substance abuse, educational disadvantages, difficulty in keeping a job, unemployment, weak parenting skills, difficulty in finding child care, and mental and physical health problems. The relative youth, poverty and educational disadvantage of homeless families may also add to their troubles. According to Richard Freeman in his study "Permanent Homelessness in America," the heads of homeless families tend to be young, with half below the age of 25. Forty percent of homeless families report that they lost their residence because of family conflict, often when doubled-up with relatives or friends after becoming unable to afford their own residence.

The Committee is especially aware that long-term psychological effects and emotional crises resulting from homelessness require special attention. In order for a homeless family to regain self-esteem, self-sufficiency, and the ability to function in a housed setting, they must often receive much more than permanent shelter. The United States Conference of Mayors report, "A Status Report on Hunger and Homelessness in America's Cities: 1989," found ample evidence of emotional and psychiatric problems as a consequence of homelessness. The City of Louisville's response to the survey states, "These familes need intensive case management in order to get to the point of self-sufficiency and self-determination. The effects of being without a home can be devastating on both parents and children."

The Committee strongly believes that the children of homeless families face unique problems. The National Academy of Science reports that on any given night in this country 100,000 chidren are on the streets. As much as one-fourth of the homeless population are children and their problems are severe and complex. In "Homelessness, Health, and Human Needs," The Institute of Medicine found the homeless children are often at increased risk of serious health problems as a result of delayed immunizations and undiagnosed or poorly controlled chronic diseases including asthma, bronchitis, anemia, seizure disorders, and urinary tract infections.

Homelessness among children also seems to produce developmental delays. Dr. Cindy Freidmutter, in her sudy "Service-Enriched Housing for Homeless Families," lists problems for homeless children including: difficulty in learning, speaking and walking, as well as emotional damage, including depression, listlessness, aggression, lack of self esteem, and anxiety. This research suggests that the effects of homelessness on children may have a negative impact on their adult lives. The Committee is concerned that these problems may ultimately pose a serious risk to the nation's domestic welfare and productivity.

The Committee learned that families at-risk of becoming homeless also need support in order to prevent homelessness. Supportive programs in or near low-income housing, as provided in Title I of the Act, target those at-risk and are intended to address their needs in a cost-effective manner. Family support centers provide services which include: health and mental health service, nutritional services, drug and alcohol counseling, family crisis and domestic violence counseling, child development programs, child care, programs for youth and young adults, job training and education, and parenting classes. The early provision of these services is intended to prevent more serious—and more expensive—problems later on.

Title I stresses the intensive case management concept. Family case managers with a caseload of no more than 20 families would assess and provide support to at-risk families. The case load limit is intended to provide a support network and to ensure that families and children do not "fall through the cracks" of our complex and overburdened social welfare system.

Finally, the Committee believes that training of professional and volunteer staff is essential in improving the effectiveness of services delivery to homeless or potentially homeless persons, as well as assuring the retention of staff. The Committee urges that service delivery orientation, training and staff development programs shall be multi disciplinary, with particular emphasis on understanding the dynamics of homelessness. Staff development and training modules should occur concurrently throughout the grant period and should be based on current innovative approaches and methods.

The Committee intends that both volunteer and professional staff shall be required to participate in staff development and training programs and that the effectiveness of staff development and training be evaluated by the participants and recipient agency annually.

The eligible agency is required to provide a 20 percent non-federal match. The authorization level is $100 million for FY 1991 and such sums as may be necessary for FY 1992 through FY 1995.

TITLE II: HOME HEALTH SERVICES PROGRAMS

Individuals afflicted with chronic and debilitating diseases or conditions are also among the homeless and potentially homeless poulation. While they are confronted by many of the same challenges facing families with children, they also have some very different service needs. "*Aging in Place: The Demographics and Service Needs of Elders in Urban Public Housing*," reports that when a crisis or illness occurs, offering services which allow aged residents to cope with daily life in their own home is more appropriate and less expensive than hospitalization or placement in a nursing home. Many of the nation's frail elderly would be capable of managing with some help; yet, they are often forced to move to an institution. Institutional placement is expensive. Hospitalization alone for the elderly costs as much as $560 a day. The average cost of a nursing home is $24,000 a year. Individuals unable to bear this expense privately are reliant on medicaid and an increasingly overburdened system of nursing homes.

Homelessness among people with AIDS is increasing and is projected to continue to increase. As Mrs. Stewart B. McKinney stated in her testimony on May 9, 1990, before the Senate Labor Committee, most individuals afflicted with chronic illnesses do not have the money to afford support services and home health care. Because of the great expense of caring for themselves at home, a number of these frail elderly and seriously ill individuals become homeless. Persons with HIV infection may lose their home due to discrimination in housing or the workplace. Others are released from the hospital with no place to go.

The Committee learned that the frail elderly and the seriously ill need a range of services in order to avoid the streets or costly institutionalization. Their needs include health and mental health services, and assistance with meal preparation, and homemaker services.

Title II of the Act, provides $100 million in discretionary grants in fiscal year 1991, and "such sums" in each of fiscal year 1992 through 1995, to establish home health services programs in low-income housing and neighborhoods to provide support services to individuals who are afflicted with chronic and debilitating diseases or conditions. Eligible agencies are required to supply a 20 percent non-Federal match. A special focus of the legislation will be the provision of services to very low-income frail elderly and persons with AIDS. Services provided will include: home health care services, homemaker services, case management, meal services, 24-hour nursing supervision, special services for HIV infected individuals, post-hospitalization respite care services, mental health services and treatment for substance abuse. The Committee strongly believes that the provision of these services will substantially enhance the independence and quality of life for the vulnerable populations targeted by this title.

TITLE III: PATH GRANTS FOR THE HOMELESS WHO ARE MENTALLY ILL OR SUBSTANCE ABUSERS

A significant percentage of the homeless population are mentally ill or substance abusers—or both. Studies estimate that 20 percent to 40 percent of the adult homeless population are mentally ill. Deinstitutionalization of the 1970's released a number of mentally ill individuals out of the mental hospitals. The goal was to place these individuals in community-based programs. However, these programs were not implemented and many seriously mentally ill did not make a successful transition to independent living. Those individuals who might have been able to function with some assistance did not have access to the support services they needed. Many of these individuals ended up on the streets.

The U.S. Conference of Mayors December, 1989 survey reported local officials as saying that 44 percent of the homeless are substance abusers. The mayors also reported that "since 1986, the numbers of alcoholics and drug addicts have grown faster than other segments of the homeless, with their ranks increasing by a most a third in the last year alone." The Committee is deeply concerned by these trends.

Individuals with serious mental illnesses or substance abuse problems need housing that provides long-term medical and personal support. Programs that integrate mental health services and other rehabilitation services demonstrated a dramatic decrease in institutionalization readmission and homelessness.

In her testimony to the Committee on September 29, 1989, Ms. Renee Johnson stated that "when you get a mental illness, your whole life changes. You lose your confidence." She spoke of her own experience with mental illness and homelessness, and testified that the programs offered at the Green Door provided the support she needed in order to function. Ms. Judith Johnson, Executive Director of the Green Door stated that "the national rehospitalization rate is over 50 percent, and our rate is 9 percent. We have about 25 percent of the people at the Green Door successfully working in the community, so we prove the untruth of the common myth that people can't work and can't live in the community, because with a little support, they can do both of those things, and we provide that support." Ms. Judith Johnson called the Green Door program a "safety net". "If you discharge someone from the hospital with no support, it is not going to work. They are going to fall through it [the safety net]."

Title III consists of the PATH Grants program for the homeless originally introduced as S. 2747 by Senators Domenici, Kennedy, D'Amato, Durenberger, Simon, and Dodd. This title is intended by the Committee to respond to the needs of the homeless mentally ill and substance abusers. The PATH Grants will provide outreach and engagement services, screening and diagnostic treatment services, habilitation and rehabilitation, community mental health services, alcohol and drug treatment services, staff training, case management and referral services to primary health care, education, job training, and other programs.

The PATH program is an expansion of the current McKinney Act programs for the homeless who are mentally ill. It replaces the

Community Mental Health Services Block Grant of the Stewart B. McKinney Homeless Assistance Act. Service funds for the homeless who are mentally ill and/or substance abusers are added in the PATH grants. In addition, better coordination with housing services for the homeless is added in PATH. PATH will improve the integration of the treatment network for a homeless person who is likely to have mental disorders or addictions to alcohol or drugs.

The fiscal year 1990 authorization level of $35 million has been replaced with a new authorization of $150 million in each of the fiscal years 1991 through 1995 to expand services to the mentally ill homeless who are addicted to alcohol and/or drugs. The latter group has been the target of demonstration programs since 1987. This is the first effort to include a source of grant funds to large cities and all states for homeless people addicted to drugs or alcohol since enactment of the McKinney Act.

TITLE IV: COMMUNITY DEVELOPMENT CORPORATION IMPROVEMENT GRANTS

The value of investments aimed at improving the personal situation of low-income Americans and enhancing their individual abilities is greatly diminished when jobs and economic opportunity are not available in low-income communities. In 1967, this Committee authorized the first Federal community economic development demonstrations. These early demonstrations confirmed that, with the assistance of small amounts of Federal funds for investment in job-creating enterprises and housing and with additional private and public technical and financial support, urban and rural low-income communities could establish permanent, successful, resident-controlled community development corporations (CDC's).

Non-profit CDC's improve low-income and minority communities through public-private partnership programs which provide training and bring jobs and housing opportunities to these areas. CDC's foster economic self-sufficiency in some of the nation's worst pockets of poverty. Across the country, CDC's have increased the supply of low-income housing and rehabilitated existing community housing, stimulated commercial development, started small manufacturing and service enterprises, and provided training and community services.

By authorizing additional resources for CDC training, expansion, and enhancement programs in this title, the Committee is demonstrating its recognition that we cannot hope to begin preventing homelessness in this country unless we can find ways to increase jobs and provide affordable housing in the low-income communities where most of our nation's homeless people once resided. Title IV provides funds to assist CDC's in more effectively serving their communities. Discretionary grants would be made to CDC's by the Secretary of Health and Human Services for three purposes: to enhance the business management skills of individuals operating CDC's; to provide operating funds to CDC's; and to provide equity grants to CDC's and other non-profit, non-governmental organizations involved in low-income housing.

TITLE V: PUBLIC HOUSING GATEWAY

Many studies indicate that there is a critical need for literacy, basic skills, and job skills training for the young residents of public housing. Because of skill deficiencies compounded by the deficits of subsisting at or below the proverty level, these individuals face unemployment and the prospect of generational dependence on public assistance. The Committee finds that too often, because low-income youth have no access to quality job and skills training, their employment prospects are limited.

Title V, the Gateway program which authorizes $50 million in grants to public housing authorities, is a response to the need to improve the literacy and basic skills of youth in our nation's public housing. This title was originally introduced as a separate bill, S. 1254, by Senator Mikulski. This Committee finds that the concentration of persons in need of skills training in public housing presents an important opportunity to target assistance to these communities. In addition, basic and job skills training, related life skills training such as drug prevention, counseling and education programs, may be available.

Baltimore's Lafayette Homes, a typical 805 unit public housing high rise, is home to 2,400 residents, 85% of whom receive public assistance. Despite demographics which parallel much public housing in America, Lafayette enjoys the distinction of being the prototype of the Gateway program. Literacy training, computerized basic skills education and job training are all available to voluntary participants on site. Extended-hours child care is available nearby to enable parents to participate in training programs. Medical services are provided at the development.

The Committee finds that too often barriers to participation in upward mobility programs are posed by the threat of loss of Federal benefits when income increases, however marginally. Gateway addresses this problem by removing such disincentives through protection of income-based Federal benefits, including Medicaid, for a transitional period after participation in Gateway training programs ends and unsubsidized employment begins. Child care would also be provided for an extended transitional period. Similarly, the Committee believes that incentives should be offered to public housing managers to offer available facilities for use for Gateway programs and, to that end, directs that PHA's not face the loss of operating subsidy for units dedicated to Gateway programs.

The Committee finds that private, nonprofit organizations and community-based nonprofit organizations are an important resource for bringing training and services which can lead to self-sufficiency for residents to public housing communities. Therefore, the Gateway program encourages utilization of this important resource.

Another important resource recognized by the Committee are the residents of public housing themselves. Gateway contemplates the employment of residents whenever possible to assist in outreach efforts, including identifying and aiding residents who might benefit from education and training programs and related services. Even a limited number of residents participating in training and preparing

for a life of greater economic and social independence can serve as role models for the larger community.

TITLE VI: HOMELESS YOUTH DEMONSTRATION PROJECTS

On February 7, 1990, the Subcommittee on Children, Family, Drugs and Alcoholism held a hearing on "Street Kids—Homeless and Runaway Youth." The numbers of homeless youth are growing and these young people need a range of services: shelter, medical care, mental health care, social and support services and emergency assistance. Two panels of experts as well as two young people who were formerly homeless testified on the status of homeless youth.

Dr. Wade F. Horn, Ph.D, Commissioner of the Administration for Children, Youth and Families of the Department of Health and Human Services testified that "we estimate that there are approximately one million youth who run away from home in the course of a year, and who stay away at least one night." He added that "during entrance interviews into our shelters, 65 percent of the youth cite a conflict with parents as their central reason for running away . . . parental abuse is cited by 20 percent of the youth, parental violence by 9 percent, parental sexual abuse by 6 percent, physical or sexual abuse by other family members by 5 percent, and physical or sexual abuse by non-family members by 4 percent of the youth. These percentages reflect the extremely violent homes from which many runaway youth flee."

Dr. Horn listed the psychological and emotional problems reported by runaway and homeless youth. The Committee is extremely alarmed by these statistics: 50 percent have a poor self image; 45 percent are depressed; 13 percent are possibly suicidal; 15 percent are drug abusers and 13 percent are alcohol abusers; 32 percent had problems with school attendance and trunacy; 29 percent had bad grades; 11 percent were unable to get along with teachers; and 7 percent were learning disabled.

Ms. Deborah Shore, Executive Director of the Sasha Bruce Youthwork, Inc. of Washington, D.C. testified that "a comprehensive coordinated system of services is needed to provide early intervention which supports youth in their families whenever possible, but provides care and protection and a place to grow up for young people when family resources do not exist." She further added that "the runaway and homeless youth population is a diverse group which requires numerous programmatic responses."

Ms. Virginia Price, Clinical Director of The Bridge, Inc. of Boston, Massachusetts, stated that "homeless street youth tend to come from families characterized by a high degree of discord and dysfunction. For these adolescents, homelessness and the violence of the streets are more attractive than remaining in a family setting characterized by parental alcoholism, deprivation and neglect, and physical, sexual and emotional abuse. She added that without assistance, "youth are likely to remain on the streets—the chronic runaways of today become the next generation of chronic homeless street people."

Title VI of S. 2600 consists of the substance of S. 2587 introduced by Senator Cranston. The $2.5 million in demonstration grants

under this title, will allow an opportunity to study the effects of providing comprehensive services for homeless youth. The services that might be provided include medical, mental health, legal, social, outreach, and emergency services to homeless youth. The Committee is hopeful that these demonstration grants will assist the Congress in implementing comprehensive programs for America's homeless youth.

TITLE VII: PLAN FOR FEDERAL COOPERATION

Services for the homeless are administered by the Secretaries of Health and Human Services, Labor, Veterans Affairs, and Housing and Urban Development. The Committee believes that there is a critical need for coordination among the Federal agencies offering services to the homeless and those at risk of homelessness.

Title VII addresses this concern and requires that the relevant agencies construct a plan to assure coordination and cooperation in providing services and housing under this and other relevant acts. The plan must include procedures, developed by the Secretary of Housing and Urban Development, for granting priority to recipients under the first three titles of this act for renovation and rehabilitation grants available through HUD.

In addition, this title requires the Secretaries to consult regularly with each other on the implementation of the programs in this bill. The Committee believes that this Federal coordination will be essential to the national effort to reduce and prevent homelessness.

IV. Votes in Committee

The Committee reported favorably S. 2600 by voice vote. No roll call votes were conducted in relation to the legislation.

V. Cost Estimate

U.S. Congress,
Congressional Budget Office,
Washington, DC, July 17, 1990.

Hon. Edward M. Kennedy,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Congressional Budget Office has prepared the attached cost estimate for S. 2600, the Homelessness Prevention and Community Revitalization Act of 1990, as ordered reported by the Senate Committee on Labor and Human Resources on June 27, 1990.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

Robert D. Reischauer,
Director.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 2600.
2. Bill title: Homelessness Prevention and Community Revitalization Act of 1990.

3. Bill status: As ordered reported by the Senate Committee on Labor and Human Resources on June 27, 1990.

4. Bill purpose: To combat homelessness through the establishment of housing-based family support centers, through the provision of housing-based services to elderly individuals and individuals with chronic and debilitating illnesses and conditions, through the provision of residence-based outpatient mental health services, and through the use of grants for the improvement of community development corporations, and for other purposes.

5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

	1991	1992	1993	1994	1995
Estimated authorization levels:					
Family support centers	100	104	108	113	117
Frail elderly services	100	104	108	113	117
Community development corporation grants	50	52	54	56	58
Public gateway grants	50	50	50	50	50
Homeless youth demonstrations	3	3	3	.....	.....
Transition from homelessness projects	121	150	150	150	150
Total estimated authorization levels	424	463	473	482	493
Estimated outlays:					
Family support centers	50	92	106	110	115
Frail elderly services	55	90	106	110	115
Community development corporation grants	34	41	43	45	47
Public gateway grants	6	40	49	50	50
Homeless youth demonstrations	1	2	3	2	.....
Transition from homelessness projects	42	119	147	150	150
Total estimated outlays	188	385	453	467	476

Note.—Details in this table may not add to totals because of rounding.

The costs of this bill fall within budget functions 500 and 550.

Basis of Estimate: S. 2600 would establish several grant programs to fight homelessness. The bill provides specific authorization levels for fiscal year 1991 and such sums as may be necessary for fiscal years 1992 to 1995 to fund grants for family support centers, services to the frail elderly and seriously ill, and community development corporations. CBO estimated the 1992 to 1995 authorization levels for these provisions by adjusting the respective 1991 authorization for projected inflation.

The bill specifies authorization levels for the public gateway grants, the homeless youth demonstration projects grants, and for the grant program to aid the transition from homelessness. The grant program to aid the transition from homelessness, which is authorized at $150 million in each of fiscal years 1991 to 1995, would replace the community mental health services for the homeless block grant authorized in current law through fiscal year 1991. Without the enactment of this legislation, CBO estimates the 1991 authorization level for the community mental health services homeless block grant would be $29 million (the 1990 appropriation of $28 million increased for projected inflation). Therefore, CBO has estimated that $121 million more would be authorized for the grant program to aid the transition from homelessness, above the

authorization level for the community mental health services homeless block grant in fiscal year 1991.

This estimate assumes that all authorizations are fully appropriated at the beginning of each fiscal year. Outlays are estimated using spendout rates computed by CBO on the basis of similar program data.

6. Estimated cost to State and local government: In order to receive family support grants, eligible agencies would have to contribute 20 percent of the costs of the services. Twenty-five percent of the non-federal share would have to be provided through contributions from private sources. CBO estimates that state and local governments would have to contribute a maximum of $19 million in fiscal year 1991, increasing to $22 million by fiscal year 1995 toward the cost of the family support services.

To receive grants for the provision of services to frail elderly and seriously ill persons, eligible agencies would have to provide 20 percent of the costs of the services. CBO estimates that state and local governments would have to contribute a maximum of $25 million in fiscal year 1991, increasing to $29 million in fiscal year 1995.

State and local governments would have to contribute 25 percent of the costs to receive grants to assist persons making the transition from homelessness. If all of the grants authorized are appropriated and awarded, states or local governments would have to contribute $50 million in each fiscal year.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Karen Graham and Diane Celuch.

10. Estimate approved by: C.G. Nuckols (for James L. Blum, Assistant Director for Budget Analysis).

VI. Regulatory Impact Statement

Rule XXVI paragraph 11(b) of the Standing Rules Committee requires the Committee to issue a statement assessing the regulatory, inflationary, and paperwork impact imposed by legislation for which they issue a report. It is believed that this Committee bill will have little or no regulatory impact on individuals and businesses.

S. 2600 attempts to prevent homelessness and, at the same time, provide health, nutrition, education, job training, and other valuable supportive services. The economic impact of the bill is projected to be positive for homeless low income individuals. Moreover, the bill will promote economic self-sufficiency and decrease dependency. The Committee believes that the legislation is likely to positively impact the national economy. In addition, CDC's will be aided in operating more efficiently. No negative impact on the personal privacy of the individuals affected by the bill and no extensive increases in paperwork are expected.

The implementation of this act will necessitate new regulations and will require the completion of a certain amount of paperwork. Nevertheless, the Committee does not intend or expect that the legislation will significantly affect the volume or flow of paperwork at the local, State, or Federal levels.

VII. Section-by-Section Analysis

Section 1. Short title; table of contents

Section 2. Purpose

The purpose of The Homelessness Prevention and Community Revitalization Act of 1990 is to help create safe, positive environments for families, children and individuals in low-income housing and neighborhoods; to reduce homelessness by providing supportive permanent housing which is accessible and hospitable to low-income families and individuals with special needs; and to prevent new homelessness by providing on-site social services and case management to families and individuals who are at risk of homelessness due to income level, illness, mental illness or lack of social and economic support networks.

TITLE I—FAMILY SUPPORT CENTERS

Sec. 101. Definitions

This section defines the terms used within Title I including advisory council, eligible agency, family case managers, governmentally subsidized housing, homelessness, intensive and comprehensive supportive services, low-income, Secretary and very low-income.

Sec. 102. General grants for the provision of services

The Secretary has the authority to authorize grants to the eligible agencies to share in the cost of providing comprehensive supportive services that will enhance the physical, social, emotional, educational, and intellectual development of low-income families.

The considerations made by the Secretary will include: capacity of the agency, proximity of the agency to low-income families, ability of the agency to coordinate activities with other agencies, management and accounting skills of the agency, ability to coordinate appropriate funding streams, and the extent to which program participants are involved in planning and operating the program.

In order for an agency to be eligible to receive a grant under this section, it must have experience in providing these types of services and submit an application describing the population to be served, their needs, and how the agency will provide health, nutritional, job training, education, social, substance abuse, and income maintenance services.

In addition, the agency shall establish an advisory council that shall provide policy and programming guidance. The advisory council shall consist of not more than 15 members and shall include: prospective program participants, representatives of local private industry, individuals with expertise in the services the program intends to offer, representatives of the local community, representatives of local government social service providers, representatives of local law enforcement agencies, and representatives of the local public housing agency.

The agency shall describe plans for evaluating the impact of the program. Further, the agency shall assure that necessary reports are submitted, that fees assessed shall be in relation to the finan-

cial situation of recipients, and that grants awarded shall be used to supplement Federal, State and local funds.

Finally, agencies receiving assistance shall establish at least one family support center located in, or in the immediate vicinity of, governmentally subsidized housing.

Sec. 103. Planning grants

The Secretary is authorized to make planning grants to eligible agencies to enable them to submit plans and applications for grants. Each agency shall submit an application describing the agency and services. Planning grants shall be for a period not to exceed one year and shall not exceed $50,000.00.

Sec. 104. Training and Retention

Grants received by agencies shall use not less than five percent of such grant to improve the retention and effectiveness of staff and volunteers.

Sec. 105. Amounts of Grants

The federal government shall pay 80 percent of the cost of the agency's program for each fiscal year. Grant recipients are required to provide a 20 percent match; 25 percent of which must come from private sources.

Sec. 106. Family Case Managers

Each program shall provide intensive and comprehensive supportive services through family case managers. First, each low-income family shall be assessed by a family case manager. A plan shall be formulated based on the needs assessment and the case manager shall carry out the plan and continue to provide counseling, monitoring, tracking, and follow-up activities. The plan is designed to assist the family to become self-sufficient. Case managers should emphasize services relating to substance abuse and violence intervention. No family crisis adviser shall carry a caseload in excess of 20 families.

Sec. 107. Evaluations

Programs shall be evaluated on an annual basis. These evaluations shall be provided to grant recipients to allow them to improve and upgrade their programs. The evaluation shall examine the program's efficacy in enhancing living conditions in low-income housing, improving the physical, social, emotional, educational, and intellectual development of low-income children and families served, and increasing the self-sufficiency of families served by the program.

Sec. 108. Report

The Secretary shall prepare and submit a report to the Committees on Education and Labor, and Banking of the House of Representatives and the Committees on Labor and Human Resources, and Banking of the Senate. The report will contain the evaluations and recommendations and describe alternative funding sources utilized.

Sec. 109. Construction

This title does not modify Federal selection preferences in section 6 of the United States Housing Act of 1937 or the housing authorities policies with respect to admissions, tenant selection, and evictions.

Sec. 110. Authorization of Appropriations

Authorization level is $100 million for fiscal year 1991, and such sums as may be necessary in each of the fiscal years 1992 through 1995.

TITLTE II—PROVISION OF SERVICES TO ELDERLY INDIVIDUALS AND INDIVIDUALS WITH CHRONIC AND DEBILITATING ILLNESSES AND CONDITIONS

Sec. 201. Establishment of Program

This section amends Title III of the Public Health Service Act to establish discretionary grants to eligible agencies.

Sec. 399B. Definitions

This section defines the terms used within Title II including: advisory council, eligible agency, frail elderly, governmentally subsidized housing, homeless, low-income and very low-income.

Sec. 399C. General for the provision of Services

The Secretary has the authority to authorize grants to the eligible agencies to share in the cost of providing services to low-income elderly or low-income seriously ill individuals, especially those who were previously homeless or are at risk of becoming homeless or at risk of institutionalization.

The considerations made by the Secretary will include: capacity of the agency to administer the program proximity of the agency to low-income families, ability of the agency to coordinate activities with other agencies, management and accounting skills of the agency, ability to use appropriate funding programs, and involvement of project participants in planning and operating the program.

In order for an agency to be eligible to receive a grant under this section it should submit an application describing the population to be served, their needs, and how the agency will provide assistance to the frail elderly and the seriously ill.

In addition, the agency shall establish an advisory council that shall provide policy and programming guidance. The advisory council shall include: prospective participants in the program, individuals with expertise in the services the program intends to offer, representatives of the local community, representatives of local government social service providers, community-based organizations with a history of providing service to participants, representatives of local public housing agencies where appropriate, and representatives of local health care professions.

Agencies shall describe plans for evaluating the impact of the program. Further, the agencies shall assure that fees are nominal and relate to the financial situation of participants, and that grants will be used to supplement Federal, State and local funds.

Finally, agencies receiving assistance shall establish at least one home health service program that shall operate out of, or in the immediate vicinity of, governmentally subsidized housing.

Sec. 399D. Planning grants

The Secretary is authorized to make planning grants to eligible agencies to enable them to develop and submit plans and applications for grants. Each agency shall submit an application describing the agency and the services to be provided. Planning grants shall be made for a period not to exceed one year and shall not exceed $50,000.

Sec. 399E. Eligible services

Grants awarded shall be used to provide comprehensive services to low-income frail elderly or low-income seriously ill individuals. These services shall include where appropriate: 24 hour nursing supervision services; case management services; home health care services; homemaker services; meal provision services; attendant services; volunteer visiting services; adult day care service; treatment for substance abuse; hospice services; post hospitalization respite care services; transportation services; assistance in accessing and maintaining appropriate public assistance; housing assistance activities, including emergency rental or mortgage assistance payments, housing counseling and eviction or foreclosure prevention assistance; and mental health services.

Twenty percent of the grants shall be set aside for the provision of subsidized housing-based services to elderly individuals, especially those with very low-income who were previously homeless or who are at-risk of homelessness or institutionalization.

Sec. 399F. Training and retention

Grants received by agencies shall use not less than 5 percent of such grant to improve the retention and effectiveness of staff and volunteers.

Sec. 399G. Amounts of grants

The Federal Government shall pay 80 percent of the cost of the agency's program for each fiscal year. Recipient agencies are required to provide a 20 percent match; 25 percent of which must be in the form of cash.

Sec. 399H. Evaluations

Programs shall be evaluated on an annual basis. These evaluations shall be provided to the recipients to enable them to improve and upgrade the program. The evaluation shall examine the program's efficacy in enhancing the living conditions for low-income frail elderly and seriously ill individuals, improving the opportunity for individuals served by the program to live independently and to avoid institutionalization.

Sec. 399I. Report

The Secretary shall prepare and submit a report to the Committees on Education and Labor, and Banking of the House of Representatives and the Committees on Labor and Human Resources,

and Banking of the Senate. The report shall include evaluations and provide recommendations. Such a report shall also describe alternative funding sources available for activities under this Title.

Sec. 399J. Construction

This title does not modify Federal selection preferences in section 6 of the United States Housing Act of 1937 or the housing authorities' policies with respect to admissions, tenant selection and evictions.

Sec. 399K. Authorization of appropriations

Authorization level is $100 million for fiscal year 1991 and such sums as may be necessary in each of the fiscal years 1992 through 1995.

TITLE III—PROJECTS TO AID THE TRANSITION FROM HOMELESSNESS

Sec. 301. Projects to aid the transition from homelessness

This section replaces the Stewart B. McKinney Homeless Assistance Act Block Grant Program for Services to Homeless Individuals who are Chronically Mentally Ill—Part C of title V of the Public Health Services Health Service Act.

Sec. 521. Short title

This part may be cited as the "Projects to Aid the Transition from Homelessness (PATH) Act of 1990."

Sec. 522. Definitions

This section defines the terms used within title II including: eligible entity, eligible homeless individual, metropolitan city, service provider, state, and urban county.

Sec. 523. Allotment

The current formula for distributing funds for the Community Development Block Grant (CDBG) is adopted to allot funds to metropolitan cities, urban counties, and States. The formula requires that large cities and urban counties will receive one-half of appropirated funds. States receive the other half. No State, including its entitlement communities, will receive less than $500,000. Finally, the territories would receive two-tenths of one percent of the total funds available.

Sec. 524. Allotment application

Agencies desiring an allotment under this section shall submit an application describing the activities and services for which the allotment is sought; identify existing programs providing services and housing to eligible homeless individuals and identify gaps in the delivery systems of such programs; and include a plan for providing services and housing to eligible homeless individuals.

Sec. 525. Requirement of submission of description of intended use of grant funds

Allotments shall not be made unless the eligible agency submits a description of the intended use. The description shall identify the

geographic areas with the greatest numbers of homeless individuals with a need for mental health, substance abuse, and housing services. Also, information relating to coordination with any other programs shall be submitted.

Sec. 526. Use of allotment

Agencies receiving allotments shall use funds to pay for grants or to enter contracts with service providers in order to provide comprehensive services and allowable housing assistance to homeless individuals.

In providing services to homeless veterans, special consideration shall be given to service providers with a demonstrated effectiveness in serving homeless veterans.

Grants shall be used to coordinate the comprehensive services and housing needs of homeless mentally ill and substance abusers, including referral services. These services shall include mental health, substance abuse, or housing services.

Administrative expenses shall not exceed four percent of the allotment.

Sec. 527. Local application

Agencies shall submit an application and required information to the appropriate entity.

Sec. 528. Local use of grant funds

Grants shall be used to provide either on-site or off-site services to eligible homeless individuals, including homeless veterans. These services shall include: outreach and engagement services; screening and diagnostic treament services; habilitation and rehabilitation; community mental health services; alcohol or drug treatment services; staff training; case management services, including the preparation of a plan for the provision of community mental health services; referral services to primary health care, education, job training, and other relevant programs.

To help house PATH Grant beneficiaries, funds may be used for minor renovation, expansion, and repair of housing units; technical assistance in applying for housing assistance; security deposits and other efforts to plan for better housing and to improve the coordination of housing services.

Sec. 529. Coordination

Housing and social services will be closely coordinated.

Sec. 530. Technical assistance

Technical assistance shall be provided to eligible entities in developing planning and operating programs.

Sec. 531. Requirement of reports by States

An annual report shall be submitted to the Secretary.

Sec. 532. Authorization of Appropriations

Authorization level is $150 million for each of the fiscal years through 1995.

TITLE IV—COMMUNITY DEVELOPMENT CORPORATION IMPROVEMENT GRANTS

Sec. 401. Community Development Corporation Improvement Grants.

This title will amend the Community Economic Development Act of 1981 to establish a new Section 634, the Community Development Corporation Improvement Grant Program.

The purpose of this section is to provide three types of discretionary grants to Community Development Corporations (CDCs). These will (1) upgrade and enhance the business management skills of the individuals operating community development corporations, (2) allow operating grants for CDC's, and (3) provide equity grants to CDC's and other non-profit, non-governmental entities involved in low-income housing.

Business skills enhancement grant activities may include training and technical assistance obtained from agencies experienced in construction, development and management of low-income housing and community economic development. Operating grants will provide support to new and existing CDC's in the ongoing efforts in the areas of community economic development and low-income housing. Equity grants will provide resources to CDC's to allow them to undertake planning, development, construction and management of low-income housing.

Authorization will be $50 million for fiscal year 1991, and such sums as may be necessary in 1992 through 1995.

TITLE V—PUBLIC HOUSING GATEWAY

Sec. 501. Short Title

The title of this section may be cited as the "Public Housing Gateway Act of 1990."

Sec. 502. Statement of Purpose

This section establishes programs through public housing agencies, to increase the abilities and self-sufficiency of young residents of public housing, to increase the prospects for employment of young residents of public housing, and end generational dependency on public assistance in public housing.

The programs would be offered on-site and would include literacy, basic skills, and employment skills training, and support services.

Sec. 503. Grant Program

Grants will be for the provision of training and services to economically disadvantaged residents of public housing. In order to be eligible to receive grants agencies shall provide suitable facilities; demonstrate need and ability to provide training and services; assure that only qualified individuals shall receive the training and services; demonstrate that programs will be offered to residents of public housing projects where a significant number of young families receiving public assistance reside; and cooperate with other private organizations.

Sec. 504. Gateway Program Established Under Grant Program

The training and services provided under this title shall include: literacy training, basic skills training, work habit and personal management employment skill development, child care services, employment assistance, job training and job counseling, high school equivalency education, computer skills training, and drug prevention services.

Sec. 505. Limitations on Gate Programs

Participants shall be residents of public housing, not more than 25 years of age, economically disadvantaged, and educationally disadvantaged. The provision of child care and support services under this shall be time limited.

Sec. 506. Effect of Gateway Programs

The earnings and benefits from gateway participation shall not be considered income when determining eligibility for public assistance.

Sec. 507. Review and Sanctions

Agencies receiving gateway grants shall be reviewed at least annually. The Secretary shall withhold funds from recipient agencies found to be not in compliance with the provisions of this title.

Sec. 508. Reports

The Secretary shall submit an annual report to the President and appropriate congressional committees. The report shall evaluate the effectiveness of the program in enhancing the employability of residents of public housing.

Sec. 509. Definitions

This section defines the terms used within title V including: basic skills, economically disadvantaged, gateway program, literacy, officer, public assistance, public housing, public housing agency, secretary, and support services.

Sec. 510. Regulations

The Secretary shall promulgate necessary regulations.

Sec. 511. Authorization of Appropriations

The authorization level is $50 million for each of the fiscal years 1991 through 1995.

TITLE VI—HOMELESS YOUTH DEMONSTRATION PROJECTS

Sec. 601. Short Title

This title may be cited as the "Homeless Youth Demonstration Project Act of 1990."

Sec. 602. Demonstration Projects

This title amends title VII of the Stewart B. McKinney Homeless Assistance Act to add a new section 763, authorizing Homeless Assistance Act to add a new section 763, authorizing Homeless Youth Demonstration Projects.

For the purposes of this title "Homeless youth" are individuals 21 and under, lacking permanent shelter and in need of services. The "Secretary" is the Secretary of Health and Human Services.

This title establishes three demonstration projects that provide comprehensive services, including medical, mental health, health, legal, social, outreach, and emergency services to homeless youth.

The Secretary shall award grants to three private, non-profit organizations which are located in urban areas with a high concentration of out-of-city, out of country, and out-of-state homeless youth. In addition, the Secretary shall monitor and evaluate each demonstration project and access the stability of homeless youth served by the demonstration project after youth are either reunited with family or in a stable environment.

Each demonstration project shall not exceed a period of 3 years. Authorization level is $2.5 million for fiscal year 1991 through 1993.

TITLE VII—PLAN FOR COOPERATION

Sec. 701. Plan for Cooperation

This section will require the Secretaries of Health and Human Services, Labor, Veterans Affairs, and Housing and Urban Development to prepare and submit a plan to the Committees on Education and Labor, and Banking of the House of Representatives and the Committees on Labor and Human Resources, Veterans Affairs and Banking of the Senate. The plan will describe plans to coordinate the implementation and administration of this act and other relevant acts, and will assure ongoing and continuous consultation of the Secretaries. The plan must be submitted to the Congress by the time regulations are issued for this act.

The plan must include a proposal by the Secretary of Housing and Urban Development for granting priority to recipients under this Act for construction, rehabilitation and renovation grants available through HUD.

VIII. Changes in Existing Law

In compliance with rule XXVI paragraph 12 of the Standing Rules of the Senate, the following provides a print of the statute or the part or section thereof to be amended or replaced (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

Public Health Service Act

* * * * * * *

TITLE III—GENERAL POWERS AND DUTIES OF PUBLIC HEALTH SERVICE

PART A—RESEARCH AND INVESTIGATION

IN GENERAL

SEC. 301. (a) * * *

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PART K—HEALTH CARE SERVICES IN THE HOME

Subpart I—Grant for Demonstration Projects

SEC. 395. ESTABLISHMENT OF PROGRAM.

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PART L—PROVISION OF SERVICES TO FRAIL ELDERLY INDIVIDUALS AND INDIVIDUALS WITH CHRONIC AND DEBILITATING ILLNESSES AND CONDITIONS

SEC. 399B. DEFINITIONS.

As used in this part:

(1) ADVISORY COUNCIL.—The term "advisory council" means the advisory council established under section 399C(d)(2)(K).

(2) ELIGIBLE AGENCY.—The term "eligible agency" means any community-based organization, State or local agency, community health center, public or private non-profit agency or other institution that will provide or arrange for the provision of appropriate comprehensive services to frail elderly or seriously ill individuals.

(3) FRAIL ELDERLY.—The term "frail elderly" means an elderly person who is unable to perform at least 3 activities of daily living adopted by the Secretary for purposes part.

(4) GOVERNMENTALLY SUBSIDIZED HOUSING.—The term "governmentally subsidized housing" means any rental housing that is assisted under any Federal, State or local program (including a tax credit or tax exempt financing program) and that serves a population that predominately consists of low income families or individuals.

(5) HOMELESS.—The term "homeless" has the same meaning given such term in subsection (a) and (c) of section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302 (a) and (c)).

(6) LOW INCOME.—The term "low income" when applied to families or individuals means a family or individual income that does not exceed 80 percent of the median income for an individual or family in the area, as determined by the Secretary of Housing and Urban Development, except that such Secretary may establish income ceilings that are higher or lower than 80 percent of the median for the area on the basis of a finding by such Secretary that such variations are necessary because of prevailing levels of construction costs or unusally high or low individual or family incomes.

(7) VERY LOW INCOME.—The term "very low income" when applied to families or individuals means a family or individual income that does not exceed 50 percent of the median income for an individual or family in the area, as determined by the Secretary of Housing and Urban Development, except that such Secretary may establish income ceilings that are higher or lower than 50 percent of the median for the area on the basis of a finding by such Secretary that such variations are necessary because of unusually high or low individual or family incomes.

SEC. 399C. GENERAL GRANTS FOR THE PROVISONS OF SERVICES.

(a) AUTHORITY.—The Secretary is authorized to make grants to eligible agencies to pay the Federal share of the cost of programs designed to encourage the provision of eligible services to low-income elderly or low-income seriously ill individuals, especially those very low income elderly or seriously ill individuals who were previously homeless or who are at risk of becoming homeless or at risk of institutionalization.

(b) AGREEMENTS WITH ELIGIBLE AGENCIES.—The Secretary shall enter into contracts, agreements, or other arrangements with eligible agencies to carry out the provisions of this section.

(c) CONSIDERATIONS BY SECRETARY.—In carrying out the provisions of this section, the Secretary shall consider—

(1) the capacity of the eligible agency to administer the comprehensive program for which assistance is sought;

(2) the proximity of the agencies and facilities associated with the program to the low-income individuals to be served by the program, or the ability of the agency to provide offsite services;

(3) the ability of the eligible agency to coordinate its activities with State and local public agencies (such as agencies responsible for health and mental health services, social services, nutrition, and other relevant services), with public or private nonprofit agencies providing assistance to homeless individuals and with appropriate nonprofit private organizations involved in the delivery of eligible support services;

(4) the management and accounting skills of the eligible agency;

(5) the ability of the eligible agency to use the appropriate Federal, State, and local programs in carrying out the program;

(6) the involvement of program participants and community representatives in the planning and operation of the program; and

(7) the demonstrated or potential effectiveness of the eligible agency in serving the populations or subpopulations intended to be served under this section.

(d) REQUIREMENTS.—

(1) IN GENERAL.—Each eligible agency desiring to receive a grant under this section shall submit an application at such time in such manner and containing or accompanied by such information, including the information required under paragraph (2), as the Secretary shall reasonably require.

(2) APPLICATION.—Each application submitted under paragraph (1) shall—

(A) identify the population and geographic location to be served by the program;

(B) provide assurances that services are closely related to the identifiable needs of the target population;

(C) provide assurances that each program will provide directly or arrange for the provision of eligible services of the type described in section 399D;

(D) identify the referral providers, agencies, and organizations that the program will use;

(E) describe the method of furnishing services at offsite locations, if appropriate;

(F) describe the extent to which the eligible agency, through its program, will coordinate and expand existing services as well as provide services not available in the area to be served by the program;

(G) describe how the program will relate to the State and local agencies providing health, nutritional, social, and income maintenance services;

(H) provide assurances that the eligible agency will pay the non-Federal share of the cost of the application for which assistance is sought from non-Federal sources;

(I) collect and provide data on groups of individuals and geographic areas served, including types of services to be furnished, estimated cost of providing comprehensive services on an average per user basis, types and nature of conditions and needs identified and treated, and such other information as the Secretary requires;

(J) describe the manner in which the applicant will implement the requirement of section 399F;

(K) provide for the establishment of an advisory council that shall provide policy and programming guidance to the eligible agency, that shall include—

(i) prospective participants in the program;

(ii) individuals with expertise in the services the program intends to offer;

(iii) representatives of the community in which the program will be located;

(iv) representatives of local government social service providers;

(v) community based organizations with a history of providing service to participants;

(vi) representatives of local public housing agencies, where appropriate; and

(vii) representatives of local health care professions;

(L) describe plans for evaluating the impact of the program;

(M) include such additional assurances, including submitting necessary reports, as the Secretary may reasonably require;

(N) contain an assurance that if the applicant intends to assess fees for services provided with assistance under this section, such fees shall be nominal in relation to the financial situation of the recipient of such services; and

(O) contain an assurance that amounts received under a grant awarded under this section shall be used to supplement not supplant Federal, State and local funds currently utilized to provide services of the type desribed in this section.

(e) HOME HEALTH SERVICE PROGRAM.—Each recipient that receives assistance under this section shall establish at least one home health service program that shall operate out of, or in the immediate vicinity of, governmentally subsidized housing. Such programs shall be the primary location for the administration of the programs and the provision of services under this part. Such programs may operate out of existing family support centers.

SEC. 399D. PLANNING GRANTS.

(a) IN GENERAL.—The Secretary is authorized to make planning grants to eligible agencies to enable such entities to develop and submit plans and applications for grants under section 399C.

(b) Application.—Each eligible agency desiring to receive a planning grant under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary shall reasonably require, including—

(1) a description of the capacity of the eligible agency to provide or ensure the availability of services pursuant to this part;

(2) a description of the low-income frail elderly or low-income seriously ill individuals to be served by the program including the number to be served and information on the population and geographic location to be served;

(3) a description of the needs of individuals identified under paragraph (2) that will be met by the program;

(4) a description of the services that program planners intend to address in the development of the plan;

(5) a description of the manner in which the program will be operated together with the involvement of other community groups and public agencies;

(6) a specification of the agencies that are intended to be contacted and the activities to be coordinated during the planning phase;

(7) assurances that the applicant will establish a planning phase advisory council, that may become the council required under section 399C(d)(2)(K), that shall include—

(A) prospective participants in the program,

(B) individuals with expertise in the services the program intends to offer;

(C) representatives of the community in which the program will be located;

(D) representatives of local government social service providers;

(E) representatives of local public housing agencies, where appropriate;

(8) a description of the capacity of the eligible agency to raise the non-Federal share of the costs of the program and such other information as the Secretary may reasonably require;

(9) an assurance that the agency will use funds received under this section to prepare a plan as described in this subsection and submit such plan in an application for a grant under section 399C; and

(10) an assurance that amounts received under a grant awarded under this section shall be used to supplement not supplant State and local funds currently utilized to provide services of the type described in this section.

(c) ADMINISTRATIVE PROVISIONS.—

(1) TERM OF GRANT.—No planning grant may be for a period longer than 1 year.

(2) MAXIMUM NUMBER OF GRANTS.—Not more than 20 planning grants may be made under this section.

(3) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to those applications that demonstrate that the applicant would not have the financial resources available to prepare a plan and application for a grant under section 399C unless such applicant receives a grant under this section.

(d) MAXIMUM AMOUNT OF GRANT.—No grant awarded under this section to a single eligible agency may exceed $50,000.

SEC. 399E. ELIGIBLE SERVICES.

(a) IN GENERAL.—Grants awarded under this part shall be used to provide services of the type described in subsection (b) to low-income frail elderly or low income seriously ill individuals.

(b) SERVICES.—Agencies receiving grants under this part shall use such grants to provide comprehensive services, in accordance with the service plan, that shall include, where appropriate—

(1) 24-hours nursing supervision services;

(2) case management services;

(3) home health care services;

(4) homemaker services;

(5) meal provision services;

(6) attendant services;

(7) volunteer visiting services;

(8) adult day care service;

(9) treatment-for substance abuse;

(10) hospice services;

(11) post hospitalization respite care services;

(12) transportation services;

(13) assistance in accessing and maintaining appropriate public assistance;

(14) housing assistance activities, including emergency rental or mortgage assistance payments, housing counseling, and eviction or foreclosure prevention assistance;

(15) mental health services; and

(16) any other services determined appropriate by the Secretary.

(c) COORDINATION.—Programs that receive assistance under this part shall be coordinated with a local hospital or community health center that regularly provides emergency medical care services.

(d) SET-ASIDE FOR ELDERLY.—The Secretary shall require that at least 20 pecent of the grants made under this part shall be set-aside for the provision of subsidized housing-based services to elderly in-

dividuals, especially those very low income elderly individuals who were previously homeless or who are risk of becoming homeless or at risk of institutionalization.

SEC. 399F. TRAINING AND RETENTION.

The Secretary shall require that agencies that receive a grant under section 399C use not less than 5 percent of such grant to improve the retention and effectiveness of staff and volunteers through appropriate service delivery training programs.

SEC. 399G. AMOUNTS OF GRANTS

(a) IN GENERAL.—The Secretary shall pay to eligible agencies having applications approved under sections 399C the Federal share of the cost of the activities described in the application.

(b) FEDERAL SHARE.—The Federal share shall be 80 percent of each fiscal year.

(c) NON-FEDERAL SHARE.—

(1) IN GENERAL.—The non-Federal share of payments under this section may be in cash or in kind fairly evaluated, including equipment or services.

(2) CASH.—At least 25 percent of the non-Federal share under paragraph (1) shall be in the form of cash.

(d) PAYMENTS.—Payments under this part may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

(e) EQUITABLE CONSIDERATION OF RURAL AREAS.—The Secretary shall ensure that an equitable number of grants are awarded to eligible agencies in rural areas.

SEC. 399H. EVALUATIONS

(a) IN GENERAL.—The Secretary shall require that programs that receive assistance under this part are evaluated, by a third party with expertise in the types of services to be provided under this part, on an annual basis.

(b) MATTER TO BE EVALUATED.—Evaluations conducted under subsection (a) shall examine the efficacy of programs receiving assistance under this part in—

(1) enhancing the living conditions for low income frail elderly and seriously ill individuals;

(2) improving the opportunity for individuals served by the program to live independently and to avoid institutionalization; and

(3) such other factors that the Secretary may reasonably require.

(c) INFORMATION.—Each eligible agency receiving a grant under this part shall furnish information requested by evaluators in order to carry out this section.

(d) RESULTS.—The results of such evaluations shall be provided to the eligible agencies conducting the programs to enable such agencies to improve such programs.

SEC. 399I. REPORT.

Not later than Ocotober 1, of each fiscal year, the Secretary shall prepare and submit, to the Committees on Education and Labor, and Banking of the House of Representatives and the Committees

on Labor and Human Resources, and Banking of the Senate, a report—

(1) concerning the evaluations required under section 399H, together with such recommendations, including recommendations for legislation, as the Secretary considers appropriate; and

(2) describing any alternative sources of funding utilized or available for the provision of services of the type described in this part.

SEC. 399J. CONSTRUCTION.

Nothing in this part shall be construed to modify the Federal selection preferences described in section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) or the authorized policies and procedures of governmental housing authorities operating under annual assistance contracts pursuant to such Act with respect to admissions, tenant selection and evictions.

SEC. 399K. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part, $100,000,000 for fiscal year 1991, and such sums as may be necessary in each of the fiscal years 1992 through 1995.

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TITLE V—ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH PROGRAMS

PART A—ADMINISTRATION AND INSTITUTES

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

SEC. 501. [290aa] (a) * * *

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[PART C—COMMUNITY MENTAL HEALTH SERVICES FOR THE HOMELESS

[ESTABLISHMENT OF BLOCK GRANT PROGRAM FOR SERVICES TO HOMELESS

[INDIVIDUALS WHO ARE CHRONICALLY MENTALLY ILL

[SEC. 521. [290cc-21] (a) REQUIREMENT OF ALLOTMENTS FOR STATES.—The Secretary shall for each of the fiscal years 1989 through 1991 make an allotment for each State in an amount determined in accordance with section 528. The Secretary shall, in accordance with section 530, make payments each such fiscal year to each State from the allotment for the State if the Secretary approves for each such fiscal year an application submitted by the State pursuant to section 522.

[(b) PURPOSE OF ALLOTMENTS.—The Secretary may not make payments under subsection (a) to a State for a fiscal year unless the State agrees that amounts received by the State pursuant to such subsection will be expended only for the purpose of providing, in accordance with section 524, community mental health services to homeless individuals who are chronically mentally ill.

[REQUIREMENT OF SUBMISSION OF APPLICATION CONTAINING CERTAIN AGREEMENTS

[SEC. 522. [290cc–22] (a) IN GENERAL.—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the State has submitted to the Secretary an application for the payments containing agreements in accordance with—

[(1) section 521(b), relating to the purpose of allotments;

[(2) section 523(a)(2), relating to the provision of matching funds;

[(3) section 524, relating to the provision of certain mental health services;

[(4) section 525, relating to restrictions on the use of payments;

[(5) section 526, relating to the submission of a description of the intended use of a block grant; and

[(6) section 527, relating to reports by the States.

[(b) CERTIFICATIONS.—Agreements required under subsection (a) to be submitted to the Secretary shall be made through certification from the chief executive officer of the State involved.

[(c) SUBMISSION OF CERTAIN DOCUMENTS RELATING TO USE OF PAYMENTS.—

[(1) The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the application submitted pursuant to subsection (a) contains the description required in section 526.

[(2) For fiscal years subsequent to fiscal year 1987, the Secretary may not make payments under section 521(a) to a State unless such application contains the report required in section 527.

[(d) ADDITIONAL REQUIRED INFORMATION.—An application required in subsection (a) shall, with respect to agreements required to be contained in the application, provide assurances of compliance satisfactory to the Secretary and shall otherwise be in such form, be made in such manner, and contain such information in addition to information required in subsections (a) and (c) as the Secretary determines to be necessary to carry out this part.

[REQUIREMENT OF PROVISION OF MATCHING FUNDS

[SEC. 523. [290cc–23] (a) IN GENERAL.—The Secretary may not make payments under section 521(a) to a State—

[(1) in an amount exceeding 75 percent of the costs of providing services described in section 521(b); and

[(2) unless the State agrees that the State will make available, directly or through donations from public or private entities, non-Federal contributions toward such costs in an amount equal to not less than $1 (in cash or in kind under subsection (b)) for each $3 of Federal funds provided in such grant.

[(b) DETERMINATION OF AMOUNT OF NON-FEDERAL CONTRIBUTION.—

[(1) Non-Federal contributions required in subsection (a) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Gov-

ernment, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

[(2) A determination under paragraph (1) may not include any cash or in-kind contributions that, prior to February 26, 1987, were made available to any public or private entity for the purpose of assisting homeless individuals (including assistance other than the provision of community mental health services).

[REQUIREMENT OF PROVISION OF CERTAIN MENTAL HEALTH SERVICES

[SEC. 524. [290cc-24] (a) IN GENERAL.—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the State agrees that projects receiving amounts pursuant to such section will—

[(1) provide outreach services to chronically mentally ill individuals who are homeless or who are subject to a significant probability of becoming homeless;

[(2) provide community mental health services, diagnostic services, crisis intervention services, and habilitation and rehabilitation services to individuals described in paragraph (1);

[(3) refer such individuals as appropriate to medical facilities for necessary hospital services and to entities that provide primary health services and substance abuse services;

[(4) provide, in accordance with subsection (b), appropriate training to individuals who provide services to individuals described in paragraph (1), including the training of individuals who work in shelters, mental health clinics, and other sites where homeless individuals receive services;

[(5) provide appropriate case management services to homeless individuals, including—

[(A) preparing a plan for the provision of community mental health services to the homeless individual involved and reviewing such plan not less than once every 3 months;

[(B) providing assistance in obtaining and coordinating social and maintenance services for the individual, including services relating to daily living activities, transportation services, and habilitation and rehabilitation services, prevocational and vocational services, and housing services;

[(C) providing assistance to the individual in obtaining income support services, including housing assistance, food stamps, and supplemental security income benefits;

[(D) referring the individual for such other services as may be appropriate; and

[(E) providing representative payee services in accordance with section 1631(a)(2) of the Social Security Act if the individual is receiving aid under title XVI of such Act and if the applicant is designated by the Secretary to provide such services; and

[(6) provide supportive and supervisory services to homeless individuals in residential settings not supported under—

[(A) the transitional housing demonstration program carried out by the Secretary of Housing and Urban Development pursuant to section 101(g) of Public Law 99–500 or Public Law 99–591; or

[(B) the supportive housing demonstration program established in subtitle C of title IV of the Stewart B. McKinney Homeless Assistance Act.

[(b) CERTAIN REQUIREMENTS WITH RESPECT TO TRAINING OF STAFF.—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the State agrees that training required in subsection (a)(4) will include training with respect to—

[(1) identifying individuals who are chronically mentally ill;

[(2) referring individuals to services available to such individuals, including job training services, literacy education, community health centers, community mental health centers, and substance abuse treatment programs; and

[(3) identifying programs that provide benefits to homeless individuals and referring such individuals to the programs.

[RESTRICTIONS ON USE OF PAYMENTS

[SEC. 525. [290cc–25] (a) IN GENERAL.—The Secretary may not make payments under section 521(a) to a State unless the applicant agrees that amounts received pursuant to such section will not be expended—

[(1) to provide inpatient services;

[(2) to make cash payments to intended recipients of mental health services;

[(3) to purchase or improve real property (other than minor remodeling of existing improvements to real property) or to purchase major medical equipment; or

[(4) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

[(b) LIMITATION WITH RESPECT TO ADMINISTRATIVE EXPENSES.—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the State agrees that the State will not expend more than 4 percent of the payments for the purpose of administering the payments and that the State will pay from non-Federal sources the remaining costs of administering the payments.

[REQUIREMENT OF SUBMISSION OF DESCRIPTION OF INTENDED USE OF BLOCK GRANT

[SEC. 526. [290cc–26] (a) IN GENERAL.—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless—

[(1) the State submits to the Secretary a description of the intended use for the fiscal year of the amounts for which the State is applying pursuant to such section;

[(2) such description identifies the geographic areas within the State in which the greatest numbers of homeless individuals with a need for mental health services are located;

[(3) such description provides information relating to the programs and activities to be supported and services to be provided, including information relating to coordinating such programs and activities with any similar programs and activities of public and private entities; and

[(4) the State agrees that such description will be revised throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State pursuant to section 521.

[(b) OPPORTUNITY FOR PUBLIC COMMENT.—The Secretary may not make payments under section 521(a) to a state for a fiscal year unless the State agrees that, in developing and carrying out the description required in subsection (a), the State will provide public notice with respect to the description (including any revisions) and such opportunities as may be necessary to provide interested persons an opportunity to present comments and recommendations with respect to the description.

[(c) RELATIONSHIP TO STATE COMPREHENSIVE MENTAL HEALTH SERVICES PLAN.—

[(1) For fiscal year 1987, the Secretary may not make payments under section 521(a) to a State unless the services to be provided pursuant to the description required in subsection (a) are consistent with the State comprehensive mental health services plan required in subpart 2 of part B of title XIX.

[(2) For fiscal years subsequent to fiscal year 1987, the Secretary may not make payments under section 521(a) to a State unless the services to be provided pursuant to the description required in subsection (a) have been considered in the preparation of, have been included in, and are consistent with, the State comprehensive mental health services plan referred to in paragraph (1).

[REQUIREMENT OF REPORTS BY STATES

[SEC. 527. [290cc-27] (a) IN GENERAL.—For fiscal years subsequent to fiscal year 1987, the Secretary may not make payments under section 521(a) to a State unless the State agrees that the State will prepare and submit to the Secretary an annual report in such form and containing such information as the Secretary determines (after consultation with the States and the Comptroller General of the United States) to be necessary for—

[(1) securing a record and a description of the purposes for which amounts received under section 521(a) were expended and of the recipients of such amounts;

[(2) determining whether such amounts were expended in accordance with the needs within the State identified pursuant to section 526(a)(2); and

[(3) determining whether such amounts were expended in accordance with the purpose described in section 521(b).

[(b) AVAILABILITY TO PUBLIC OF REPORTS.—The Secretary may not make payments under section 521(a) to a State unless the State agrees that the State will make copies of the reports described in subsection (a) available for public inspection.

[(c) EVALUATIONS BY COMPTROLLER GENERAL.—The Comptroller General of the United States shall, from time to time, evaluate the expenditures by States of grants under this part in order to ensure that expenditures are consistent with the provisions of this part.

[DETERMINATION OF AMOUNT OF ALLOTMENTS

[SEC. 528. [290cc-28] (a) IN GENERAL.—The allotment for a State under section 521(a) for a fiscal year shall be the greater of—

[(1) $275,000 for each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico and $50,000 for each of Guam, the Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands; and

[(2) an amount determined in accordance with subsection (b).

[(b) DETERMINATION OF TENTATIVE AMOUNT OF ALLOTMENT.—

[(1) The amount referred to in subsection (a)(2) is the product of—

[(A) an amount equal to the amounts appropriated for the fiscal year pursuant to section 535; and

[(B) the percentage described in paragraph (2).

[(2) The percentage referred to in paragraph (1)(B) is a percentage equal to the quotient of—

[(A) an amount equal to the population living in urbanized areas of the State involved, as indicated by the most recent data collected by the Bureau of the Census; divided by

[(B) an amount equal to the population living in urbanized areas of the United States, as indicated by the sum of the respective amounts determined for each State under subparagraph (A).

[CONVERSION TO STATE CATEGORICAL PROGRAM IN EVENT OF FAILURE OF STATE WITH RESPECT TO EXPENDING ALLOTMENT

[SEC. 529. [290cc-29] (a) IN GENERAL.—Subject to subsection (c), the Secretary shall, from amounts described in subsection (b), make grants to public and nonprofit private entities for the purpose of providing to homeless individuals the mental health services described in section 524.

[(b) DESCRIPTION OF FUNDS.—The amounts referred to in subsection (a) are any amounts made available in appropriations Acts for allotments under section 521(a) that are not allotted under such section to a State as a result of—

[(1) the failure of the State to submit an application under section 522;

[(2) the failure, in the determination of the Secretary, of any State to prepare within a reasonable period of time such application in compliance with such section; or

[(3) the State informing the Secretary that the State does not intend to expend the full amount of the allotment made to the State.

[(c) REQUIREMENT OF PROVISION OF SERVICES IN CERTAIN STATES.—With respect to grants under subsection (a), amounts made available pursuant to subsection (b) as a result of the State

involved shall be available only for grants to provide services in such State.

[DISBURSEMENT AND AVAILABILITY OF FUNDS

[SEC. 530. [290cc-30] (a) DISBURSEMENT.—Payments under section 521(a) shall be made in accordance with section 6503(a) of title 31, United States Code.

[(b) AVAILABILITY.—Amounts received by a State under section 521(a) remaining unobligated at the end of the fiscal year in which the amounts were received shall remain available to the State during the succeeding fiscal year for the purpose described in section 521(b).

[TECHNICAL ASSISTANCE

[SEC. 531. [290cc-31] The Secretary may, without charge to a State receiving amounts under section 521(a), provide technical assistance to the State with respect to the planning, development, and operation of programs to carry out the purpose described in section 521(b). The Secretary may provide such technical assistance directly, through contract, or through grants.

[FAILURE TO COMPLY WITH AGREEMENTS

[SEC. 532. [290cc-32] (a) REPAYMENT OF PAYMENTS.—

[(1) The Secretary may, in accordance with subsection (c), require a State to repay any amounts received under section 521(a) that, in the determination of the Secretary, were not expended by the State in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 522.

[(2) If a State fails to make a repayment required in paragraph (1), the Secretary may offset the amount of the repayment against the amount of any payment due to be paid to the State under section 521(a).

[(b) WITHHOLDING OF PAYMENTS.—

[(1) The Secretary may, in accordance with subsection (c), withhold payments due under section 521(a) if the Secretary determines that the State involved is not expending amounts received under such section in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 522.

[(2) The Secretary shall cease withholding payments from a State under paragraph (1) if the Secretary determines that the State is expending amounts received under section 521(a) in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 522.

[(c) OPPORTUNITY FOR A HEARING.—Before requiring repayment of payments under subsection (a)(1), or withholding payments under subsection (b)(1), the Secretary shall provide to the State involved an opportunity for a hearing.

[(d) CONSTRUCTION OF PURPOSE OF ALLOTMENTS.—Notwithstanding any other provision of this part, a State receiving amounts under section 521(a) may not, with respect to the agreements required to be contained in the application submitted by the State

pursuant to section 522, be considered to be in violation of any such agreements by reason of the fact that the State, in the regular course of providing mental health services to homeless individuals who are chronically mentally ill, incidentally provides mental health services to homeless individuals who are not chronically mentally ill.]

PART C—PROJECTS TO AID THE TRANSITION FROM HOMELESSNESS

SEC. 521. SHORT TITLE.

This part may be cited as the "Projects to Aid the Transition from Homelessness (PATH) Act of 1990".

SEC. 522. DEFINITIONS.

As used in this part:

(1) ELIGIBLE ENTITY.—The term "eligible entity" means a State, a metropolitan city, or an urban county.

(2) ELIGIBLE HOMELESS INDIVIDUAL.—The term "eligible homeless individual" means an individual, including a veteran, who is—

(A) afflicted with serious mental illness, alcoholism, substance abuse or a combination thereof; and

(B) homeless or at imminent risk of becoming homeless.

(3) METROPOLITAN CITY.—The term "metropolitan city" has the same meaning given such term in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302).

(4) SERVICE PROVIDER.—The term "service provider" includes any general purpose unit of local government, a city, county, town, township, parish, village or combination thereof, a public or private non-profit agency including a veterans' community based service provider, or a community based organization.

(5) STATE.—The term "State" means each of the several, States, the District of Columbia, the Comnonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana, Islands, the Federated States of Micronesia and Palau.

(6) URBAN COUNTY.—The term "urban county" has the same meaning given such term in section 102 of the Housing and Community Development Act of 1974.

SEC. 523. ALLOTMENT.

(a) IN GENERAL.—The Secretary shall utilize amounts appropriated under section 532 in each fiscal year, to make an allotment to metropolitan cities, urban counties, and States (for distribution to service providers in the States) in the same manner as the Secretary of Housing and Urban Development makes allocations under section 106 of the Housing and Community Development Act of 1974 (42 U.S.C. 5306), except that the Secretary shall—

(1) substitue 50 percent for 70 percent in subsection (a) of such section 106; and

(2) substitute 50 percent for 30 percent in subsection (d) of such section 106.

(b) SPECIAL RULES.—

(1) IN GENERAL.—If, under the allotment provisions applicable under this part, any city or urban county would receive an

allotment of less than 0.05 percent of the amounts appropriated to carry out this part for any fiscal year, such amount shall instead be reallotted to the State, except that any metropolitan city that is located in a State that does not have counties as local governments, that has a population greater than 40,000 but less than 50,000 as used in determining the fiscal year 1987 community development block grant program allocation, and that was allocated in excess of $1,000,000 in community development block grant funds in fiscal year 1987, shall receive directly the amount alloted to such city under subsection (a).

(2) MINIMUM.—Notwithstanding any other provision of law, the total amount allotted to each State under this part, including amounts allotted to each eligible entity within the State, shall not be less than—

(A) $500,000; or

(B) the amount of the allotment such State received pursuant to this part in fiscal year 1990 plus 30 percent of such allotment.

(3) RATABLE REDUCTION.—The Secretary shall ratably reduce the allotments made pursuant to subsection (a) in order to carry out the provisions of this subsection.

(c) ALLOTMENTS TO TERRITORIES.—In addition to the other allotments required in this section, the Secretary shall (for amounts appropriated under section 532) make allotments under this subtitle to the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Federated States of Micronesia and Palau, and any other territory or possession of the United States, in accordance with an allotment formula established by the Secretary, but in no case shall the total amount allotted to all of the territories and possessions exceed 2 percent to the total amount appropriated under section 532.

(d) REMAINING AMOUNTS.—The Secretary may allocate any unclaimed or remaining funds to eligible entities determined by the Secretary to be in need of additional assistance.

(e) REQUIREMENT OF NON-FEDERAL CONTRIBUTIONS.—

(1) IN GENERAL.—The Secretary shall not make an allotment under this part to an eligible entity unless such entity agrees to make available, directly or through donations from public or private entities, non-Federal contributions toward such costs in an amount equal to not less than $1 for each $3 of Federal funds provided under the allotment.

(2) DETERMINATION OF AMOUNT.—Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Except as provided in paragraph (3), amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, shall not be included in determining the amount of such non-Federal contributions.

(3) SPECIAL RULE.—Funds received pursuant to section 106 of the Housing and Community Development Act of 1974, and the value of any property, buildings, or housing received and fairly evaluated may be included in determining the amount of such non-Federal contributions.

(4) WAIVER.—The Secretary may waive the requirements of paragraph (1) for metropolitan cities and urban counties which are unable to provide such matching funds.

(5) PARTICIPATING LOCALITIES.—Each State receiving an allotment under this part shall not require participating localities to provide non-Federal contributions in excess of the non-Federal contributions described in paragraph (1).

SEC. 524. ALLOTMENT APPLICATION.

(a) REQUIREMENT.—

(1) IN GENERAL.—Each eligible entity desiring an allotment under section 523 shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require.

(2) APPLICATION PERIOD.—The Secretary shall provide for a 90 day period during which applications may be submitted pursuant to paragraph (1).

(b) CONTENTS.—Each application submitted pursuant to subsection (a) shall—

(1) describe the activities and services for which the allotment is sought;

(2) identify existing programs providing services and housing to eligible homeless individuals and identify gaps in the delivery systems of such programs;

(3) include a plan for providing services and housing to eligible homeless individuals that shall—

(A) describe the coordinated and comprehensive means of providing services and housing to homeless individuals; and

(B) include documentation that suitable housing for eligible homeless individuals will accompany the provision of services to such individuals;

(4) describe the source of the non-Federal contributions described in section 523;

(5) contain assurances that the non-Federal contributions described in section 523 will be available at the beginning of the grant period;

(6) describe any voucher system that may be used to carry out this part; and

(7) contain such other information or assurances as the Secretary may reasonably require.

SEC. 525. REQUIREMENT OF SUBMISSION OF DESCRIPTION OF INTENDED USE OF GRANT FUNDS.

(a) IN GENERAL.—The Secretary shall not make an allotment under section 523 to an eligible entity for any fiscal year unless—

(1) the eligible entity submits to the Secretary a description of the intended use for the fiscal year of the amounts for which the eligible entity is applying pursuant to such section;

(2) such description identifies the geographic areas within the eligible entity in which the greatest numbers of homeless individuals with a need for mental health, substance abuse, and housing services are located;

(3) such description provides information relating to the programs and activities to be supported and services to be provided,

including information relating to coordinating such programs and activities with any similar programs and activities of public and private entities; and

(4) the eligible entity agrees that such description will be revised throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the eligible entity pursuant to section 523.

(b) OPPORTUNITY FOR PUBLIC COMMENT.—The Secretary shall not make an allotment under section 523 to an eligible entity for a fiscal year unless the eligible entity agrees that, in developing and carrying out the description required in subsection (a), the eligible entity will provide public notice with respect to the description (including any revisions) and such opportunities as may be necessary to provide interested persons, such as family members, consumers, and mental health, substance abuse, and housing agencies, an opportunity to present comments and recommendations with respect to the description.

(c) RELATIONSHIP TO STATE COMPREHENSIVE MENTAL HEALTH SERVICES PLAN.—

(1) IN GENERAL.—The Secretary shall not make an allotment under section 523 to an eligible entity unless the services to be provided pursuant to the description required in subsection (a) are consistent with the State comprehensive mental health services plan required in subpart 2 of part B of title XIX.

(2) SPECIAL RULE.—The Secretary shall not make an allotment under section 523 to an eligible entity unless the services to be provided pursuant to the description required in subsection (a) have been considered in the preparation of, have been included in, and are consistent with, the State comprehensive mental health services plan referred to in paragraph (1).

SEC. 526. USE OF ALLOTMENT.

(a) USE OF ALLOTMENT.—

(1) IN GENERAL.—Each eligible entity receiving an allotment under section 523 shall use such allotment to pay the Federal share of awarding grants to or entering into contracts with service providers to enable such service providers to provide comprehensive services and allowable housing assistance to homeless individuals in accordance with the provisions of this part.

(2) SPECIAL CONSIDERATION.—Each eligible entity receiving an allotment under section 523 shall give special consideration to the provision of services to homeless veterans who are otherwise eligible for services under this subtitle. In providing such services to homeless veterans, such eligible entities shall give priority to service providers with a demonstrated effectiveness in serving homeless veterans.

(3) FEDERAL SHARE.—The Federal share shall be 75 percent.

(4) SPECIAL RULE.—Each eligible entity receiving an allotment under section 523 shall use at least two-thirds of such allotment to assist eligible homeless individuals who have—

(A) a primary diagnosis of a serious mental illness; or

(B) a diagnosis involving a serious mental illness and substance abuse.

(5) COORDINATION.—Each eligible entity receiving an allotment under section 523 shall only make grants pursuant to paragraph (1) to service providers that have the capacity to meet or coordinate the comprehensive services and housing needs of eligible homeless individuals, including referral services. Such capacity includes contractual arrangements and viable referral plans among service providers of mental health, substance abuse, or housing services so that the comprehensive needs of individuals who are both mentally ill and substance abusers are met.

(6) ADMINISTRATIVE EXPENSES.—Notwithstanding the provisions of this subsection, each eligible entity receiving an allotment pursuant to section 523 may reserve not to exceed 4 percent of such allotment for administrative expenses.

(b) SPECIAL RULES.—Each eligible entity receiving an allotment under section 523 shall not award a grant to a service provider that—

(1) has a policy of excluding individuals from mental health services due to the existence or suspicion of substance abuse; and

(2) has a policy of excluding individuals from substance abuse services due to the existence or suspicion of mental illness.

(c) SUPPLEMENTATION.—Each eligible entity receiving an allotment under section 523 shall only use such funds to supplement and not supplant Federal, State and local governments funds currently utilized to provide services of the type described in this part.

SEC. 527. LOCAL APPLICATION.

Each service provider desiring a grant pursuant to section 526(a) shall submit an application to the appropriate eligible entity at such time, in such manner and accompanied by such information as the eligible entity may reasonably require.

SEC. 528. LOCAL USE OF GRANT FUNDS.

(a) SERVICES.—Grants awarded pursuant to section 526(a) shall be used to provide either on-site or off-site services to eligible homeless individuals, including homeless veterans. Such services shall include—

(1) outreach and engagement services;

(2) screening and diagnostic treatment services;

(3) habilitation and rehabilitation;

(4) community mental health services;

(5) alcohol or drug treatment services;

(6) staff training, including the training of individuals who work in shelters, mental health clinics, substance abuse programs, and other sites where homeless individuals require services;

(7) case management services, including—

(A) preparing a plan for the provision of community mental health services to the eligible homeless individual involved, and reviewing such plan not less than once every 3 months;

(B) providing assistance in obtaining and coordinating social and maintenance services for the eligible homeless

individual, including services relating to daily living activities, personal financial planning, transportation services, and habilitation and rehabilitation services, prevocational and vocational services, and housing services;

(C) providing assistance to the eligible homeless individual in obtaining income support services, including housing assistance, food stamps, and supplemental security income benefits;

(D) referring the eligible homeless individual for such other services as may be appropriate; and

(E) providing representative payee services in accordance with section 1631(a)(2) of the Social Security Act if the eligible homeless individual is receiving aid under title XVI of such Act and if the applicant is designated by the Secretary to provide such services;

(8) supportive and supervisory services in residential settings;

(9) referral to primary health services;

(10) referral to job training and education programs; and

(11) referral to other relevant service or housing programs.

(b) HOUSING.—Not to exceed 20 percent of amounts received under a grant awarded pursuant to section 526(a) may be used for—

(1) minor renovation, expansion, and repair;

(2) planning;

(3) technical assistance in applying for housing assistance;

(4) improving the coordination of housing services;

(5) security deposits;

(6) the costs associated with matching eligible homeless individuals with appropriate housing situations; and

(7) one time rental payments to prevent eviction.

(c) LIMITATIONS.—Grants awarded pursuant to section 526(a) shall not be used—

(1) to support emergency shelters or construction of housing facilities;

(2) for inpatient psychiatric treatment costs or inpatient substance abuse treatment costs; and

(3) to make cash payments to intended recipients of mental health, substance abuse, or housing services.

SEC. 529. COORDINATION.

(a) IN GENERAL.—The Secretary shall provide for coordination among eligible entities of housing and service strategies used in carrying out the provisions of this part.

(b) INFORMATION.—In carrying out the provisions of subsection (a) the Secretary shall make available to eligible entities—

(1) the information contained in the application and plan submitted pursuant to section 524; and

(2) the annual report described in section 531.

SEC. 530. TECHNICAL ASSISTANCE.

The Secretary, through the National Institute of Mental Health, the National Institute of Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse, may provide technical assistance to eligible entities in developing planning and operating programs in accordance with the provisions of this part.

SEC. 531. REQUIREMENT OF REPORTS BY STATES.

(a) IN GENERAL.—The Secretary shall not make allotments under section 523 to an eligible entity unless such eligible entity agrees to prepare and submit to the Secretary an annual report in such form and containing such information as the Secretary determines (after consultation with the Comptroller General of the United States, the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse) to be necessary for—

(1) securing a record and a description of the purposes for which amounts received under section 523 were expended and of the recipients of such amounts; and

(2) determining whether such amounts were expended in accordance with the provisions of this part.

(b) AVAILABILITY TO PUBLIC OF REPORTS.—The Secretary shall not make allotments under section 523 to an eligible entity unless such eligible entity agrees to make copies of the reports described in subsection (a) available for public inspection.

(c) EVALUATIONS BY COMPTROLLER GENERAL.—The Comptroller General of the United States in cooperation with the National Institute of Mental Health, shall evaluate at least once every 3 years the expenditures of grants under this part by eligible entities in order to ensure that expenditures are consistent with the provisions of this part, and shall include in such evaluation recommendations regarding changes needed in program design or operation.

SEC. 532. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $150,000,000 for each of the fiscal years 1991 through 1995 to carry out this part.

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COMMUNITY ECONOMIC DEVELOPMENT ACT OF 1981

Public Law 97-35

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PART 4—SUPPORTIVE PROGRAMS AND ACTIVITIES

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AVAILABILITY OF CERTAIN APPROPRIATED FUNDS

SEC. 633. * * *

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SEC. 634. COMMUNITY DEVELOPMENT CORPORATION IMPROVEMENT GRANTS.

(a) PURPOSE.—It is the purpose of this section to provide assistance to community development corporations to upgrade the management and operating capacity of such corporations and to enhance the resources available to enable such corporations to increase their community economic development activities.

(b) SKILL ENHANCEMENT GRANTS.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall make grants to community development corporations to enable such corporations to attain or enhance the business management and development skills of the individuals that manage such corporations to enable such corporations to seek the public and private resources necessary to develop low-income housing and to develop community economic development projects.

(2) USE OF FUNDS.—Grantees may use funds obtained under this section—

(A) to purchase training and technical assistance from agencies or institutions that have experience in the construction, development and management of low-income housing or experience in community economic development; or

(B) to purchase such asssistance from other highly successful community development corporations.

(c) OPERATING GRANTS.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall make grants to community development corporations to enable such corporations to support an administrative capability for planning, development, constructing and managing low-income housing, and for other community economic development projects.

(2) USE OF FUNDS.—Of amounts made available in any fiscal year for operating grants under this subsection, the Secretaary of Health and Human Services shall use—

(A) 40 percent of such amounts to assist in starting up community development corporations; and

(B) 60 percent of such amounts to assist established community development corporations.

(3) TERMS AND CONDITIONS.—Assistance provided through operating grants under this subsection shall be of sufficient size and duration, including multiyear grants where appropriate, to enable a community development corporation receiving such assistance to have an appreaciable impact on the area or areas to be served.

(d) GRANTS FOR COMMUNITY DEVELOPMENT CORPORATION EQUITY ACCOUNTS.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall make grants to any nongovernmental, nonprofit entity that is principally involved with the development, construction or management of low-income housing, or to community development corporations, to enable such entities to establish and maintain equity accounts with which such corporations may plan, develop, construct and manage low-income housing.

(2) TERMS AND CONDITIONS.—Assistance provided through equity account grants under this subsection shall be of sufficient size and duration, including multiyear grants where appropriate, to enable a community development corporation receiving such assistance to have an appreciable impact on the areas to be served.

(e) APPLICATIONS.—Community development corporations that desire to receive assistance under this section shall prepare and

submit, to the Secretary of Health and Human Services, an application at such time, in such form, and containing such information as the Secretary shall reasonably require. Such Secretary shall not require project-specific information for applications for assistance under subsection (b), (c) and (d).

(f) EQUITABLE CONSIDERATION OF RURAL AREAS.—The Secretary shall ensure that an equitable number of grants are awarded to eligible agencies in rural areas.

(g) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 1991, and such sums as may be necessary in each of the fiscal years 1992 through 1995.

(2) USE.—The Secretary of Health and Human Services shall use—

(A) 20 percent of the amounts appropriated under paragraph (1) in each fiscal year to make grants under subsection (b);

(B) 30 percent of the amounts appropriated under paragraph (1) in each fiscal year to make grants under subsection (c); and

(C) 50 percent of the amounts appropriated under paragraph (1) in each fiscal year to make grants under subsection (d).

(3) AVAILABILITY.—Amounts appropriated under paragraph (1) shall remain available until expended.

(h) DEFINITION.—As used in this section, the term "community development corporation" means a nonprofit entity of the type described in this section and that meets the resident control and governing body requirements of 42 U.S.C. 9807(a)(1).

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TITLE VII—SUBTITLE E

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Stewart B. McKinney Homeless Assistance Act

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SEC. 763. DEMONSTRATION PROJECTS.

(a) DEFINITIONS.—As used in this section:

(1) HOMELESS YOUTH.—The term "homeless youth" means an individual who is 21 years of age or younger, is in need of services, and lacks a permanent place of shelter that provides appropriate supervision and care for such individual or who resides in a group home on a temporary basis.

(2) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

(b) DEMONSTRATION PROJECTS.—

(1) IN GENERAL.—The Secretary shall establish not to exceed three demonstration projects that are designed to assist private and public agencies and organizations in working together to provide a network of comprehensive services, including medical,

mental health, health, legal, social, outreach, and emergency services, to homeless youth.

(2) GRANTS.—

(A) IN GENERAL.—The Secretary shall award grants to not to exceed three private, nonprofit organizations with demonstrated success in providing direct services to homeless youth, in subcontracting for such services, and in coordinating the provision of such services with other agencies, as referred to in paragraph (1).

(B) LOCATION.—In awarding grants under subparagraph (A), the Secretary shall select organizations that are located in urban areas with a high concentration of out-of-city, out-of-country, and out-of-State homeless youth.

(C) ABILITY TO PROVIDE SERVICES.—To be eligible for a grant under subparagraph (A), an organization shall demonstrate to the Secretary the ability of such organization, or another competent organization with which such organization has a subcontract, to provide a comprehensive network of each of the services described in paragraph (1).

(D) PREFERENCE.—In awarding grants under subparagraph (A), the Secretary shall give preference to organizations that would involve a network of public and private agencies in the delivery of services to homeless youth.

(3) EVALUATION OF DEMONSTRATION PROJECTS.—

(A) IN GENERAL.—The Secretary shall monitor each demonstration project established under paragraph (1) to determine whether such project is complying with the requirements of this section.

(B) INDEPENDENT EVALUATOR.—

(i) IN GENERAL.—The Secretary shall contract with an independent evaluator to evaluate the process and outcome of each demonstration project established under paragraph (1), and to make suggestions for the implementation of other similar demonstration projects in other areas of the country.

(ii) STABILITY OF HOMELESS YOUTH.—The independent evaluator referred to in clause (i) shall assess the stability of homeless youth that are served by a demonstration project established under paragraph (1) after such youth are either reunited with family or settled in a stable environment.

(4) ELIGIBLE YOUTH.—

(A) IN GENERAL.—Except as provided for in subparagraph (B), an individual wishing to receive services under this section shall be not more than 21 years of age.

(B) EXCEPTION.—The Secretary may grant waivers to provide services under this section to individuals who are 22 through 24 years of age for not more than 10 percent of the funds awarded for grants under paragraph (2).

(5) LENGTH OF DEMONSTRATION PROJECTS.—Each of the demonstration projects established under paragraph (1) shall not exceed a period of 3 years.

(6) AUTHORIZATION OF APPROPRIATION.—

(A) IN GENERAL.—There is authorized to be appropriated to carry out this section $2,500,000 for each of the fiscal years 1991, 1992, and 1993.

(B) INDEPENDENT EVALUATOR.—Of the amounts authorized to be appropriated under subparagraph (A), not to exceed $500,000 shall be utilized for the contract referred to in paragraph (3)(B).

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